



**A STUDY ON IMPACT OF TRUST IN SUPPLY CHAIN MANAGEMENT AT PETRONAS  
GAS BERHAD**

**MOHD AMIN BIN ZAKARIA  
2007285102**

**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) OPERATIONS MANAGEMENT  
FACULTY OF BUSINESS MANAGEMENT  
MARA UNIVERSITY OF TECHNOLOGY**

**APRIL 2010**

**DECLARATION OF ORIGINAL WORK**



BACHELOR OF BUSINESS ADMINISTRATION  
WITH (HONS) OPERATIONS MANAGEMENT  
FACULTY OF BUSINESS MANAGEMENT  
MARA UNIVERSITY OF TECHNOLOGY

I, **MOHD AMIN BIN ZAKARIA,**

(I/C Number: **880906-03-5313**)

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being currently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## TABLE OF CONTENTS

	PAGE
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv-v
TABLE OF CONTENT	vi-ix
LIST OF TABLES	xi
LIST OF FIGURES	xii
LIST OF ABBREVIATION	xiii
ABSTRACT	xiv-xv

## CHAPTERS

### 1.0 INTRODUCTION

1.1	Background of study	1
1.2	Background of Company	2
1.3	Problem of Statement	4
1.4	Scope of Study	
1.4.1	Time Frame	4
1.5	Objective of Study	5
1.6	Limitation of Study	
1.6.1	Time Constraint	6
1.6.2	Lack of Knowledge	6
1.7	Significance of Study	
1.7.1	To Individual	7
1.7.2	To Organization	7
1.8	Definition of Term	
1.8.1	Supply Chain Management	8

1.8.2	Trust	8
1.8.3	Information Sharing	8
1.8.4	Partner's Reputation	8
1.9	Summary	9
<b>2.0</b>	<b>LITERATURE REVIEW</b>	
2.1	Supply Chain Management	10
2.2	Trust	11
2.3	Partner's Reputation	14
2.4	Information Sharing	15
<b>3.0</b>	<b>RESEARCH METHODOLOGIES AND DESIGN</b>	
3.0	Introduction	19
3.1	Theoretical Framework	19
3.1.1	Dependent Variable	19
3.1.2	Independent Variable	20
3.2.2.1	Information Sharing	20
3.2.2.2	Partner's Reputation	20
3.2	Hypotheses	21
3.3	Research Design	22
3.3.1	Purpose of the Study	22
3.3.2	Types of Investigation	22
3.3.3	Extent of Researcher Interference with Study	22
3.3.4	Study Setting	23
3.3.5	Unit of Analysis	23

\ **ABSTRACT**

Supply Chain comprises a worldwide network of suppliers, factories, warehouses, distribution centres and retailers through which raw materials are acquired, transformed and delivered to the end user. Supply chain is a combined system which comprises planning, sourcing, making and development of processes with its constituent parts to include material suppliers, production facilities, distribution centres and customers linked together through the feed forward flow of material as well as feedback flow of information. *Am. J. Engg (2009)* Supplier is the part of supply chain management. Building trust in supplier is a crucial part in the organization. This study is about to investigate the impact of trust in the supply chain at Petronas Gas Berhad, Plant Operations Diivision, Kerteh. There are two objectives of this research which are to study the impact of trust in supply chain and to examine the most influence factor in trust in the supply chain. This study concentrates on two variables that can contribute or leads to trust in this research are information sharing and partner's reputation. While, the dependent's variable is trust in the supply chain management. Data collected was analyzed by using the Statistical Package for Social Science (SPSS). A sample of 100 staffs at PGB (POD) has completed questionnaire. . In the chapter four will explain the finding analysis and interpretation in this study. This chapter comprises the reliability analysis, frequency analysis, correlation analysis, and mean analysis. The last chapter in this research will provide useful information to the company as well as to the company's partner. There are several recommendations given by the researcher. These recommendations is believed by the researcher will help the company to run the supply chain process in the better way that lead to reduce cost and tighter relationship with suppliers.